

LEASE AMENDMENT #1 — FIRST EXTENSION

BETWEEN

HALCYON ASSOCIATES, LTD.

AND

MONTGOMERY COUNTY, MD

DATED: 4/3/07

PREMISES:

8663 GROVEMONT CIRCLE, GAITHERSBURG

DEPARTMENT:

FIRE & RESCUE SERVICE

Lease Amendment #1 — First Extension

This "Lease Amendment #1 — First Extension" ("Amendment #1") is made this 13th day of April 2007 by and between **HALCYON ASSOCIATES**, a Maryland limited partnership ("Landlord"), and **MONTGOMERY COUNTY, MARYLAND**, a political subdivision of the State of Maryland ("County"), to the August 2000 lease ("Original Document") for 8663 Grovemont Circle, Gaithersburg, Maryland ("Premises"). Landlord and County agree:

A#1(a) Prior Provisions. This Amendment #1 supersedes the Original Document; however, all provisions in the Original Document that are not changed in this Amendment #1 remain in force and unchanged. Some provisions are repeated here for convenience.

A#1(b) Term. The Term is hereby extended for the First Extension, which is a full, fixed, and undivided period of FIVE non-calendar years starting October 1, 2005 and with a new "Ending Date" of September 30, 2010. The County may, at the County's sole discretion but with at least 180 days prior written notice to the Landlord, advance the Ending Date of the Term to the last day of any calendar month prior to September 2010. Upon receipt by the Landlord, the County's notice of election to advance the Ending Date of the Term shall be, at the Landlord's sole discretion, irrevocable.

A#1(c) Payment. County shall pay to Landlord all rent in United States currency without any deduction, set-off, notice, demand, and, unless stated otherwise, billing. County shall pay all monthly Base Rent Installments in advance by the first day of each calendar month. All money shall be paid to HALCYON ASSOCIATES, LTD., P.O. Box 79880, Baltimore, Maryland 21279-0880 or any other address or any other party as Landlord may direct.

A#1(d) Base Rent. For this First Extension only, County shall pay Base Rent of **\$670,788.00** (exclusive of Additional Rent, if any) in Monthly Base Rent Installments by the following First Extension Base Rent Schedule. The rows and columns are for convenience only and do not reflect any division of the Term.

First Extension Base Rent Schedule

Lease Year (LY)	LY Starting Date	No. of Months	Monthly Base Rent Installment (\$)	LY Base Rent (\$)
Lease Year #6	10/01/05	12	10,477.00	125,724.00
Lease Year #7	10/01/06	12	10,817.00	129,804.00
Lease Year #8	10/01/07	12	11,168.00	134,016.00
Lease Year #9	10/01/08	12	11,531.00	138,372.00
Lease Year #10	10/01/09	12	11,906.00	142,872.00
Total Base Rent only				\$ 670,788.00

A#1(e) Possession. Subject to Landlord's maintenance and repair obligations in the Original Document, County is in possession of the Premises and accepts the Premises "AS-IS."

A#1(f) Notices. Paragraph "38. MAILING NOTICES" in the Original Document is hereby deleted and replaced with the following:

38. NOTICES:

All notices required or desired to be given in accordance with this Lease by either party must be given by first class mail with a nationally recognized receipted delivery service, postage prepaid, addressed to the County or Landlord, respectively. Notices to the Parties must be addressed as follows:

THE COUNTY:

Montgomery County, Maryland
Department of Public Works and Transportation
Office of Real Estate
101 Monroe Street, 10th Floor
Rockville, Maryland 20850

With a copy that does not constitute notice to:

Office of the County Attorney
101 Monroe Street, 3rd Floor
Rockville, Maryland 20850
Attn.: County Attorney

LANDLORD:

Halcyon Associates
c/o Standard Properties, Inc.
5500 MacArthur Blvd., NW
Washington, DC 20016
Telephone: (202) 244-5800
Telefax: (202) 244-5825
E-mail: Selden@standardproperties.com

A#1(g) Additional Improvements. The County, at the County's sole discretion, may from time to time request that the Landlord provide estimates of the feasibility, cost, and time required for construction of additional improvements to the Premises. Landlord shall provide good-faith estimates but Landlord shall not be obligated to hire third-party consultants to make any estimates unless the County agrees to reimburse the Landlord for the cost of these consultants. The County, at the County's sole discretion, may hire the Landlord to provide the improvements or may make other arrangements. The Landlord shall cooperate, in a commercially reasonable manner, with all third-party consultants or contractors hired by the County.

A#1(h) No Real Estate Brokers. With regard to this Amendment #1, County and Landlord have not dealt with any finders, real estate agents, or brokers.

A#1(i) Delivery. This document is not an offer, option, or reservation. This Amendment #1 becomes binding only on both execution and delivery by both Landlord and County.

The Signature Page follows next.

Signature Page

IN WITNESS THEREOF, Landlord and County have signed these presents and affixed their seals:

Witness to Mr. Daniel:

David K. Ais

Landlord: HALCYON ASSOCIATES, LTD.

By: John Daniel

General Partner

Date signed: Feb 9 2007

County: MONTGOMERY COUNTY, MARYLAND

By: Scott W. Reilly

Scott W. Reilly

Assistant Chief Administrative Officer

Date Signed: 4/3/2007

APPROVED AS TO FORM AND LEGALITY
OFFICE OF THE COUNTY ATTORNEY:

RECOMMENDED:

By: Sileen P. Baseman

Date signed: 3/28/2007

By: Cynthia L. Brenneman

Cynthia L. Brenneman, Director

Office of Real Estate

Dept. of Public Works and Transportation

Date signed: 3/18/07

February 9, 2007